

Message Text

LIMITED OFFICIAL USE

PAGE 01 USBERL 02326 211207Z

46

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00

DOT-00 INR-07 NSAE-00 FAA-00 ACDA-05 SAJ-01 IO-10

PM-04 H-02 L-03 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 /084 W

----- 108155

R 211110Z NOV 75

FM USMISSION USBERLIN

TO AMEMBASSY BONN

INFO SECSTATE WASHDC 1679

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY BERLIN UNN

LIMITED OFFICIAL USE USBERLIN 2326

E.O. 11652: N/A

TAGS: EAIR, WB, GW, UK, FR, US

SUBJECT: BERLINERS PERCEIVE INADEQUACIES IN IGS

REF: A) USBERLIN 2085 B) BONN 18390

1. SUMMARY: FED BY SERIES OF PRESS ARTICLES AND IRRITATED BY INCREASED FLIGHT DELAYS AND MORE CROWDED CONDITIONS ON WEEKEND FLIGHTS TO AND FROM BERLIN, SOME BERLINERS AS WELL AS CERTAIN BERLIN POLITICIANS APPEAR TO BELIEVE CURRENT IGS SERVICE IS INADEQUATE.
END SUMMARY:

2. SINCE FEDERAL AFFAIRS SENATOR STOBBE COMPLAINED TO ALLIED MINISTER
S
ABOUT DELAYS (REF A), CRITICISM OF ALLIED CARRIERS HAS SPREAD
TO OTHER AREAS AND HAS RECEIVED WIDE PLAY IN PRESS. MORE RECENTLY SOME
E
LEADING BERLIN POLITICIANS HAVE BEGUN PUBLICLY CRITICIZING AIRLINES
FOR REDUCTION IN NUMBER OF FLIGHTS OFFERED, CROWDED CONDITIONS ON CER
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 USBERL 02326 211207Z

A

TAIN FLIGHTS, AND LACK OF CAPACITY AT PEAK PERIODS. THESE PUBLIC STATEMENTS FIRST CAME FROM OPPOSITION CDU LEADERS, SUCH AS FORMER CDU CAUCUS LEADER LUMMER, WHEREAS FDP AND SPD LEADERS WERE CONFINING THEIR CRITICISMS TO PRIVATE REMARKS SUCH AS RECENT COMMENT BY MAYOR OXFORT TO US SENAT LIAISON OFFICER THAT SERVICE HAD DEFINITELY TAKEN FURN FOR WORSE SINCE INSTITUTION OF ROUTE SWAP ON JUNE 1, AND REMARKS TO PAN AM EXECUTIVE BY FDP LEADER EMIG THAT AIRLINES' MONOPOLY ENABLED THEM TO DISREGARD INTERESTS OF BERLINERS. THEME OF THIS CRITICISM HAS BEEN OPINION THAT ABSENCE OF COMPETITION RESULTING FROM ROUTE SWAP HAS LED TO DETERIORATION OF SERVICES. SITUATION NOT HELPED BY BA'S MISHANDLING OF FONMIN GENSCHER AT COLOGNE AIRPORT SEVERAL WEEKS AGO. SED (2) MOUTHPIECE DIE WAHRHET GOT INTO ACT NOV 14 285# ARTICLE DEPICTING SENAT AS POWERLESS VIS-A-VIS THREE ALLIED CARRIERS.

3. AT OCT 31 BERLIN CIVIL AIR TRANSPORT ADVISORY GROUP (BCATAG) MEETING GERMAN SIDE, IN THEIR ADVISORY ROLE, RAISED PROBLEM OF INSUFFICIENT CAPACITY ON WEEKENDS AND SOUGHT ASSURANCES THAT EXTRA SECTIONS BEING ADDED DURING PEAK PERIODS (REF B). ALTHOUGH IT WAS POINTED OUT THAT ALLIED CARRIERS ACTUALLY FLEW MORE FLIGHTS THAN WERE SCHEDULED DURING MONTH OF SEPT, IT WAS AGREED THAT ALLIED MISSIONS IN BERLIN WOULD ASK AIRLINES TO FURNISH FURTHER INFO TO SENAT. IT WAS ALSO DEEMED APPROPRIATE THAT SENAT MAKE EFFORT TO EXPLAIN TO PUBLIC NEED FOR COOPERATION WITH AIRLINES BY BOOKING WELL IN ADVANCE. DISCUSSION OF PROBLEM OF OVERCAPACITY WAS ACCORDINGLY ARRANGED FOR FOLLOWING WEEK BETWEEN SCHEDULED CARRIERS AND SENATOR FOR TRANSPORT AND PUBLIC ENTERPRISES LIEHR, BUT HIS STAFF MADE NO ATTEMPT TO SOLICIT FROM SCHEDULED CARRIERS IN ADVANCE OF DEBATE ON SPD/FDP RESOLUTION WHAT AIRLINES' POSITION WAS ON QUESTION OF OVERCAPACITY.

4. FDP/SPD RESOLUTION (THEIR FIRST PUBLIC STANCE ON ISSUE), WHICH WAS PLACED BEFORE BERLIN HOUSE OF REPRESENTATIVES ON NOV 4 ON URGENT BASIS, CALLED FOR AUGMENTATION OF FLIGHTS OFFERED BERLIN PUBLIC, PARTICULARLY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 USBERL 02326 211207Z

ON WEEKENDS. FOLLOWING DAY SENATOR FOR ECONOMICS LUEDER (FDP) HELD PRESS CONFERENCE IN WHICH HE CALLED FOR FULL DISCLOSURE OF COMMERCIAL ASPECTS OF BERLIN AVIATION WHICH HAD NOT BEEN PROVIDED BY ALLIES. SINCE SENAT WAS AWARE THAT ALLIES HAD AGREED TO ADDRESS THIS QUESTION AT BUREAUCRATIC LEVEL (BCATAG), AND SINCE NORMAL SENAT-AIRLINES FORUM WAS IN PROCESS OF BEING CONVOKED ON ROUTINE BASIS, IT WOULD APPEAR THAT SPD/FDP URGENT RESOLUTION WAS PUT FORWARD

AS RESULT OF POLITICAL LEVEL DECISION TO COUNTER RISING CRITICISM FROM
M
CDU OPPOSITION.

5. PAN AM AND BA TRIED TO STEM GROWING CRITICISM THROUGH JOINT PRESS
RELEASE DEFENDING THEIR PERFORMANCE. RELEASE NOTED THAT SINCE 1971
NUMBER OF PASSENGERS FLOWN HAD FALLEN 36 PERCENT, BUT NUMBER OF SEATS
OFFERED HAD DROPPED BY ONLY 23 PERCENT. PAN AM-BA STATEMENT ENDED
WITH REMINDER THAT BERLINERS ARE ACTUALLY FLYING MORE CHEAPLY THAN
PEOPLE IN FRG BECAUSE PER KILOMETER PRICE FOR IGS OF 25 PFENNIG
(INCLUDING 4 PFENNIG SUBSIDY) IS 40 PERCENT LESS THAN INTERNAL FRG
PRICE OF 41 PFENNIG.

6. WE HAVE NOT FULLY EXAMINED QUESTION OF OVERCAPACITY, WHICH INVOLVE
S
HIGHLY TECHNICAL JUDGMENTS, BUT SUBMIT HERewith PAN AM'S PRELIMI-
NARY REACTION. HERR HOCHGESCHWAENDER, PAN AM'S SCHEDULING MANAGER,
TOLD MISOFF THAT AIRLINES'S BERLIN OFFICE FOR MORE THAN
SIX YEARS HAS HAD PROCEDURE FOR IDENTIFYING IN ADVANCE BOOKING
TRENDS WHICH INDICATE LIKELIHOOD OF HEAVY CAPACITY DURING CERTAIN
TIME BLOCKS AT CERTAIN LOCATIONS. PAN AM'S EXPERIENCE IS THAT THESE
TRENDS BECOME PERCEPTIBLE ONLY ON FIFTH DAY BEFORE FLIGHT IS TO
TAKE PLACE. BASED ON DATA IT RECEIVES ON DAILY BASIS FROM OVER 500
BOOKING AGENCIES IN GERMANY, PAN AM IS CONVINCED IT IS ABLE TO
MAKE RATHER ACCURATE JUDGMENTS OF WHICH FLIGHTS OR BLOCKS OF TIME
WILL BE HEAVILY BOOKED. AS BOOKINGS APPROACH CAPACITY TWO DE-
CISIONS ARE MADE. ONE IS WHEN TO STOP BOOKING ON FLIGHT SO THAT IT
WILL NOT BECOME OVERBOOKED. SECOND IS WHETHER OR NOT TO ESTABLISH
EXTRA SECTION. IN MAKING THIS SECOND DECISION PAN AM MUST CONSIDER
NOT ONLY TREND IN BOOKINGS BUT ALSO COMMERCIAL FEASIBILITY OF EXTRA
SECTION USUALLY RETURNS VIRTUALLY EMPTY. NEVERTHELESS PAN AM
HAS PROVIDED NUMBER OF EXTRA SECTIONS. FOR EXAMPLE, WHEN WE SPOKE
TO PAN AM ON NOV 5, FIVE EXTRA SECTIONS HAD ALREADY BEEN ADDED FOR
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 USBERL 02326 211207Z

FRIDAY, NOV 7, AND FOUR EXTRA SECTIONS FOR SUNDAY, NOV 9.

7. FROM ABOVE IT IS CLEAR THAT PAN AM'S DECISION-MAKING ON ADDED
CAPACITY IN PEAK PERIODS IS BASED ON ANALYSIS OF BOOKING TRENDS
RATHER THAN ON MORE BASIC PRINCIPLE APPARENTLY PREFERRED BY
BERLIN POLITICIANS, WHICH IS SIMPLY TO HAVE MORE FLIGHTS SCHEDULED
ON WEEKENDS. THERE IS NO QUESTION BUT THAT FLIGHTS ARE NOW MORE
CROWDED. AS NOTED AT OCT 31 BCATAG MEETING, SEAT FACTORS SINCE
ROUTE SWAP HAVE RISEN AT LEAST SEVEN PERCENT AND AS MUCH AS 14
PERCENT ON A MONTHLY BASIS FOR BOTH PAN AM AND BA. CONSEQUENTLY IT IS

NOT SURPRISING THAT BERLINERS ARE FINDING IT DIFFICULT TO MAKE LAST
MINUTE BOOKING OR TO APPEAR AT TEGEL AND WALK ONTO FLIGHT WITHOUT
PRIOR RESERVATIONS.

8. IN SHORT IT APPEARS THAT BERLIN TRAVELING PUBLIC BECAME SPOILED OVER PAST SEVERAL YEARS, WHEN LOW SEAT FACTORS PERMITTED TRAVELER LUXURY OF GETTING ON VIRTUALLY AND FLIGHT WITHOUT RESERVATION.

9. DIFFICULTY WHICH HAS NOT YET BEEN RAISED IS QUESTION OF FARES. AS LONG AS SEAT FACTORS REMAIN HIGH, NEED FOR FARE INCREASE IS LESS; BUT WERE SENAT TO SUCCEED IN HAVING AIRLINES ADD ADDITIONAL REGULARLY SCHEDULED FLIGHTS (ASOPPOSED TO EXTRA SECTIONS ON AS NEEDED BASIS), THEN SEAT FACTORS WOULD LIKELY DECLINE AND PRESSURES FOR FARE INCREASE WOULD GROW.

10. COMMENT: HULLABALOO RAISED BY BERLIN POLITICAL LEADERS SEEMS UNJUSTIFIED BY DIMENSIONS OF PROBLEM; CONSEQUENTLY IT MAY BE THAT RECENT COMMOTION IS CALCULTED MOVE TO PUT AIRLINES ON PUBLIC RELATIONS DEFENSIVE AND TO GET THEM TO THINK TWICE BEFORE PRESSING FOR FARE INCREASE. IT MAY ALSO BE CALCULATED EFFORT TO GET AIRLINES TO IMPROVE STANDARD OF SERVICE ON EXISTING FLIGHTS. GEORGE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CIVIL AVIATION, AIR TRAFFIC, AIR SCHEDULES, PUBLIC ATTITUDES
Control Number: n/a
Copy: SINGLE
Draft Date: 21 NOV 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975USBERL02326
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750406-0539
From: USBERLIN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751123/aaaaattr.tel
Line Count: 186
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 USBERLIN 2085, 75 BONN 18390
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 29 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <29 MAY 2003 by ShawDG>; APPROVED <22 OCT 2003 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BERLINERS PERCIEVE INADEQUACIES IN IGS
TAGS: EAIR, WB, GE, UK, FR, US, IGS
To: BONN
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006